



**CITY OF DURHAM | NORTH CAROLINA**

**Date:** December 18, 2012

**To:** Thomas J. Bonfield, City Manager

**Through:** Wanda S. Page, Deputy City Manager

**From:** Joel V. Reitzer, Jr., Director, General Services Department  
Brett Pulliam, Sr. Construction Project Manager

**Subject:** Construction Contract with Riggs-Harrod Builders, Inc. for Durham Parks and Recreation Operations Facility

**Executive Summary**

On August 1, 2011, the City Manager approved a professional services agreement with RATIO Architects, Inc. (RATIO) for the design of the Durham Parks and Recreation (DPR) Operations Facility to replace the existing facility in Duke Park. The project was advertised for formal bidding in November, and on December 13, 2012, six bids were opened. Riggs-Harrod Builders, Inc. (Riggs-Harrod Builders) was the apparent low bidder. General Services Department (GSD), Department of Equal Opportunity/Equity Assurance (EO/EA), and Finance's Risk Management Division have reviewed the bids, conducted a de-scoping meeting, and concluded that Riggs-Harrod Builders is the lowest responsive and responsible bidder.

The lump-sum base bid submitted by Riggs-Harrod Builders is \$1,410,012.00, and is within the project budget. The base bid scope of work includes the construction of a 10,360 square foot building. Approximately 3000 square feet will be administrative space and the remaining will be a pre-engineered, 8-bay, metal building. The facility will include office space, a break room, a conference room, warehouse space to store equipment trailers and an open, metal roof lean-to for material storage. General Services Department further recommends accepting bid alternate # 1 to provide a brick base from ground to window sill around the administrative portion of the building for \$10,820, bid alternate #2 to furnish and install a storage mezzanine for \$16,200.00, and bid alternate #3, to furnish and install metal cage partitions for secure storage for \$9,200.00, for a total contract of \$1,446,232.00, which is within the project budget established for construction.

**Recommendation**

The General Services Department recommends that the City Council:

1. Authorize the City Manager to execute a construction contract for DPR Operations Facility to Riggs-Harrod Builders, Inc. in the amount of \$1,446,232.00, which includes the base bid and recommended alternates.
2. Establish a project contingency in the amount of \$216,935.00 and authorize the City Manager to negotiate and execute change orders on the DPR Operations Facility

construction contract, provided the total project cost does not exceed the amount budgeted for construction phase plus the project contingency.

### **Background**

The existing DPR Operations Facility is located at 1612 Acadia St. in Duke Park. The single-story, concrete structure, and accompanying 3-sided outbuildings, were built in the 1960s and were originally part of General Services Buildings and Grounds Maintenance. The facility accommodates DPR's entire fleet of maintenance vehicles and equipment, parks and recreation equipment, and grounds and field material. The facility is approximately 4500 square feet and is not adequate to serve the needs of DPR.

DPR is therefore seeking to construct a 10,360 square foot operations facility at the site of the former Friendly Rest Home at 301 Archdale Drive to better serve DPR's needs and to provide a central location for operations and maintenance of the park system. The land was purchased by the City in 2007. The existing rest home was not suitable for renovation and was recently demolished by the City. Use of the site by DPR maintenance required a minor special use permit that was approved on December 11, 2012.

The new DPR operations facility will consist of an entry lobby, four offices, a conference room, a break room, men's and women's restrooms, and an 8-bay garage for equipment trailers, including metal storage cages and a mezzanine for equipment storage. The facility will have associated parking and a fenced outdoor storage yard.

### **Issues/Analysis**

DPR's current operations facility is located in an aging facility in Duke Park. Space and operating constraints along with neighborhood concerns have created a need for a larger and more functional space. The new operations facility would be centrally located and in closer proximity to Durham's largest parks, allowing DPR to provide better services and a greater capacity to store materials.

Construction is scheduled to commence in February 2013 and the project is scheduled to be completed by February 2014. Addressing unforeseen conditions such as the presence of underground utility lines or unanticipated geological conditions could delay the project completion or require a scope change or reduction. To mitigate risks, a geotechnical engineering report has been completed and taken into account in the final construction documents. The report indicated a potential for highly plastic soils. Therefore, a 15% contingency has been budgeted to address unexpected site conditions.

Bids were opened on December 13, 2012. Six bids were received and evaluated for the determination of the lowest, responsive, responsible bidder. The bid results are as follows:

<u>Company</u>	<u>Base Bid</u>	<u>Base + Recommended Alternates</u>
Riggs-Harrod Builders, Inc.	\$1,410,012.00	\$ 1,446,232.00
H.M. Kern Corporation	\$1,478,000.00	\$ 1,531,200.00
C.T. Wilson Construction Co., Inc	\$1,511,141.00	\$ 1,562,605.00
Harrod Associates Constructors, Inc	\$1,533,000.00	\$ 1,600,900.00
Blue Ridge Enterprises, Inc.	\$1,643,000.00	\$ 1,700,000.00
Centurion Construction Company, Inc	\$1,668,000.00	\$ 1,715,980.00

### Alternatives

An alternative is to not proceed with the DPR Operations Facility. Staff recommends against this alternative as the project is fully funded and has been fully designed and bid within budget. Not proceeding with this project will negatively impact operational and planning goals for Durham Parks and Recreation.

### Financial Impacts

<b>Project Funding CH520</b>		
Impact Fees	3000H000	\$1,327,726.00
2005 GO Bonds	3000H901	\$822,639.00
Installment Sales	3307C000	36,180.00
<b>Total Project Funding</b>		<b>\$2,186,545.00</b>
<b>Funding Uses Summary</b>		
<b>Prior:</b>		
Furniture and Equipment	3000H000-732300	\$ 9,100.00
CIP Professional Services Building	3000H901-731003	\$ 168,484.00
Professional Services-Building	3307C000-732203	\$ 27,541.00
Contract Contingency-Design	3000H901-731900	\$ 1,867.00
Contract Contingency-Design	3307C000-731900	\$ 1,718.00
Construction	3000H000-731000	\$ 304,319.00
*Other Owner's Expenses	Various	\$ 10,349.00
Total		\$ 523,378.00
<b>Current:</b>		
Construction Contract	3000H000-731000	\$ 887,897.00
Construction Contract	3000H901-731000	\$ 558,335.00
Construction Contingency	3000H000-731900	\$ 124,910.00
Construction Contingency	3000H901-731900	\$ 92,025.00
Total		\$ 1,663,167.00
<b>Funding Uses Total</b>		<b>\$2,186,545.00</b>

\*Other Owner's Expenses include but are not limited to Printing, Advertising, Impact Fees, Permits, Surveys, Construction Material Testing, and Reviews.

**SDBE Summary**

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Riggs-Harrod Builders, Inc., Durham, North Carolina to determine compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting. The goals for this project are MSDBE 20% and WSDBE 10%. It was determined that Riggs-Harrod Builders, Inc was in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

**SDBE REQUIREMENTS**

Riggs-Harrod Builders, Inc. will subcontract to the following certified firms:

<b>Firm</b>	<b>ID</b>	<b>City/State</b>	<b>Amount</b>	<b>% of Contract</b>
Erosion Supply Company	MSDBE	Raleigh, NC	\$2,000	0.14%

The MSDBE and WSDBE goals were not met but Riggs-Harrod Builders, Inc. was able to demonstrate a good faith effort in trying to meet the goals.

**WORKFORCE STATISTICS**

The workforce statistics for Riggs-Harrod Builders, Inc. are as follows:

Total Workforce	25	
Total Females	2	8%
Total Males	23	92%
Black Males	1	4%
White Males	14	56%
Other Males	8	32%
Black Females	0	0%
White Females	2	8%
Other Females	0	0%

**Attachment:** DPR Operations Facility Building Rendering